GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA

UNSTARRED QUESTION NO:1820
ANSWERED ON:04.08.2005
FM RADIO
Mane Smt. Nivedita;Singh Shri Kirti Vardhan;Yadav Shri Anirudh Prasad (Sadhu)

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether the Government has decided to replace the present licensing system for FM Radio by revenue sharing system; and

(b) if so, the details thereof alongwith the reasons therefor?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING AND CULTURE (SHRI S. JAIPAL REDDY)

(a) & (b): In view of the experience gained during the implementation of Phase I of FM radio broadcasting through private agencies, the Government constituted a Committee under the Chairmanship of Dr. Amit Mitra, Secretary General, FICCI for making recommendations for Phase II FM broadcasting. Telecom Regulatory Authority of India (TRAI) examined the Report of the Committee and made recommendations to the Government. After examination of TRAI's recommendations and the report of Amit Mitra Committee, the government has notified a policy for Phase II of FM radio broadcasting. The new policy, inter-alia, provides for One Time Entry Fee (OTEF) to be decided on the basis of closed tender system, annual fee @ 4% of gross revenue subject to a minimum of 10% of Reserve OTEF. The policy also provides for migration of Phase I operators to Phase II regime. Further details of the policy are available on this Ministry's website (www.mib.nic.in).